Nancy Wyman
LIEUTENANT GOVERNOR
STATE OF CONNECTICUT

Healthcare Cabinet Meeting Minutes
May 10, 2016

Members in Attendance: Lt. Governor Wyman, Susan Adams, Ellen Andrews, Patricia Baker, Kurt Barwis, Rod Bremby (DSS),Margherita Giuliano, Bonita Grubbs, William Handelman, Frances Padilla, Dr. Raul Pino (DPH), Lawrence Santilli, Gregory Stanton, Kristina Stevens (DCF), Shelly Sweatt, Bob Tessier, Victoria Veltri (OHA)

Members Absent: Anne Foley (OPM), Miriam Delphin-Ritman, Gary Letts, Michael Michaud (DMHAS), Morna Murray (DDS), John Orazietti, Andrea Ravitz Hussam Saada, Katharine Wade, Jim Wadleigh (CID , Josh Wojcik (OSC)

Agenda Item	Topic	Discussion	Action
1.	**Call to order & Introductions**	Lt. Governor called the meeting to order.	
2.	**Public Comment**	No public comment	
3.	**Review & Approval of minutes**	Meeting minutes reviewed April 12, 2016	Minutes approved
4.	**Cost Containment Model Study**, Megan Burns, and Marge Houy	**Washington State.** Megan Burns, Senior Consultant with Bailit Health, discussed the cost containment strategies of Washington. In her discussion she noted that 4 key cost containment strategies that might be relevant for Connecticut to consider. Those were: 1. Strategies employed through their SIM grant, including the testing of an ACO-based payment	• Next Steps are for Bailit to respond to questions raised from the Washington presentation. • A sub group of individuals will develop draft principles

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		model within their public employee population and regional Accountable Communities of Health that form the building blocks for regional transformation. 2. Highlighting the quality and cost performance of providers through a report card that is published by a third party, and trusted entity – the Washington Health Alliance. 3. Utilizing evidence-based guidelines in their contracts and coverage decisions through the Health Technology Assessment and a private / public collaborative (Bree Collaborative). 4. Joint purchasing of prescription drugs with Oregon to lower the price of prescriptions for consumers. In addition, the utilization of a free discount card for Washingtonians to use at the point of service. Washington benefits from combining its purchasing power between Medicaid and the public employees, a strong culture of collaboration, a vision to change health at the regional level, and partnership with a trusted entity. However, Washington faces some challenges, too. Including the reliance on strong leadership for coordination, lack of employer engagement in health care, challenges with statewide APCD implementation and legislative pressure to increase education funding. In response to Megan's presentation, the following questions were asked. Bob Tessier asked why Megan indicated that the Washington initiative to integrate physical and behavioral services was irrelevant. Megan clarified that behavioral health integration is very important, but not covered in her presentation because it was an MCO-based initiative.	for the Cabinet members to discuss in June. • Bailit Health will present its recommended straw proposal at the next meeting.

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		Megan noted that Vermont, Massachusetts and Oregon are all promoting behavioral health integration. LG Wyman asked where the Exchange was housed in state government. Commissioner Bremby responded that Washington uses the federal Exchange. Frances Padilla asked whether the risk-based contract implemented by the PEBB is making capitation payments. Megan will get additional information. Dr. Handelman asked what provider are participating in the PEBB risk contracts, specifically whether only large providers. Megan thought it was likely that only larger provider organization were participating, but she would confirm. Dr. Handelman also asked about data exchange among participating providers. Megan indicated that she did not know that level of detail. Kristina Stevens asked about the relationship between the Health Care Authority and the Washington Health Alliance. Megan explained that the Alliance is a private organization and the linkage are through the Health Care Authority leadership participating on the Alliance's Board of Directors. In response to a question by Bob Tessier, Megan explained that there are 19 common measures. She will distribute a list of the measures to the Cabinet members. Megan responded to a question by Dr. Handelman that Washington does not use the legislative process to introduce new technology into the health care market, as Connecticut does. It appears to be less "regulatory." He	

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		asked if there were technologies that are not reimbursed in Washington that are reimbursed in Connecticut. Megan indicated that she would find out. In response to a question by Frances Padilla, Marge explained that while a CON program focuses on capacity needs for new technologies or services, an evidence-based approach focuses on the effectiveness of the technology or service. Margherita Guiliano asked if pharmacy services are carved out of the Washington MCOs. Megan indicated that she would ask. LG Wyman asked if the goal of keeping costs 2% below trend is for global costs or only for Medicaid. Megan reported that it is only for Medicaid. The state focus is on Medicaid because of the budget pressures Washington is facing. LG Wyman urged the Cabinet to focus on strategies that will make Connecticut stronger and suggested that "do no harm" be added to the Principles. Ellen Andrews expressed the view that more trust and collaboration is needed; that moving slowly was wise, and that evidence-based programs, particularly since there are several New England organizations that are doing this work, would be beneficial. She was very interested in Washington's early warning system of marketplace problems and requested additional information. Dr. Handelman noted that Washington is familiar with the pre-paid model of care through Kaiser, but does not think it will work in Connecticut. The infrastructure does not exist in Connecticut for pre-paid models. Megan noted that the accountable care program is building off of a Boeing	

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		program and is not plan-driven. The state through its SIM initiative is doing direct contracting with providers. **Stakeholder Feedback.** Marge Houy, Senior Consultant at Bailit Health discussed the results of the feedback from a wide-range of stakeholders that Bailit has received over the last 5 months. All the stakeholders identified increasing costs as a serious problem for Connecticut because of the impact on low-income residents, on providers doing business in Connecticut and on other programs. As a result, the stakeholders agree that change is needed. Stakeholders were not well informed on the current cost containment strategies in Connecticut. They identified four top cost drivers: 1. High unit costs due to such events as hospital consolidation, technology races, and pharmacy costs 2. Inefficient delivery of care due to lack of financial incentives to improve efficiency and effectiveness, lack of coordination across providers, lack of infrastructure of share information. 3. The poor health of Connecticut residents 4. Lack of price transparency for consumers, providers and policy makers. Among additional cost drivers mentioned were legislative mandates, plan assessments and burdensome regulations that do not add value. The key cost containment strategies identified by the stakeholders include: 1. Control unit costs by more strategically thinking about resource needs	

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		2. Promote more efficiency and effectiveness of health care delivery models through use of total cost of care payment models, promotion of the Choosing Wisely campaign, broader adoption of Value Based Insurance Design and making funding to build infrastructure less expensive. 3. Promote care coordination by building necessary technology infrastructure, expanding membership on the care team, provide intensive care management to high cost/high risk patients, and better coordinate services funded and managed by different state agencies. 4. Promote improved health population by creating a unified state agency to develop a single state strategy, empower the Connecticut Insurance Department to adopt affordability standards and promote behavioral health integration. 5. Promote price transparency Other cost containment strategies mentioned by stakeholders included better management of end-of-life care, permitting narrow networks, closer alignment of Medicaid and commercial payer strategies, better management of post-acute care and tort reform. In response to this segment of Marge's presentation, the following questions were asked: 1. Ellen Andrews remarked that CT is siloed and not everyone knows what is going on and that was clearly reflected in the comments that Bailit heard. 2. Vicki Veltri noted that the context for what CT is doing will be set during the next meeting. 3. Pat Baker noted that what Bailit received is one source of data of the problems that exist in CT and that the Cabinet should view these comments as a	

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		gift. She said that clearly there is a need for improvement, and that the Cabinet needs listen. 4. Kate McEvoy noted that there are gaps in common literacy and that a forum should be developed to have some of these issues discussed and addressed. She noted examples of how information was misused to draw incorrect conclusions about the Medicaid program. 5. Rev. Grubbs said "where you stand, is where you land." She said there is a lot at stake here and more than just costs, because consumers are involved. She also said that we have a wonderful opportunity to make a difference and to try develop trusted leadership. 6. Lieutenant Governor Wyman noted that we need to look at reorganizing how things need to be done. 7. Frances noted that the stakeholder feedback is significant grist for the mill and that it leads very well to the articulation of the principles. Because of lack of time, Marge ended this segment of the meeting by summarizing the following key take-aways: 1. Making changes that result in reduced costs is essential. 2. Building stakeholder trust to drive change will be difficult, but must occur. 3. Most stakeholders are looking for strong state leadership to lead the change initiatives within and beyond state government. 4. Delivery system redesign should include more care coordination, behavioral health integration and use of non-traditional clinical and non-clinical personnel to engage patients. 5. Building the necessary infrastructure within the provider communities is expensive and time consuming, but necessary.	

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		6. Market consolidation is a concern, but there is uncertainty on how to effectively address it without creating negative unintended consequences. 7. Removing regulations that generate cost but do not add benefit may yield substantial savings. To conclude her presentation, Marge noted that as a result of talking with all the stakeholders, Bailit consultants believe that the time is ripe for movement away for FFS payment and siloed delivery of care. To move in that direction, it is essential that all key decision-makers be in the same room to hammer out solutions. The Cabinet then went on to discuss the principles. Megan noted that the principles were discussed in January and then each Cabinet member had an opportunity to review the principles and provide Megan and Marge with feedback. The principles were discussed again during this meeting because some Cabinet members were not present for the first meeting and were not able to participate. Many Cabinet members felt that the principles needed to express higher-order concepts and, therefore, needed to be reworked. Several participants thought that the principles should include a statement that strategies will make Connecticut stronger and "do no harm." It was decided that the Cabinet would form a subcommittee to draft new principles for presentation at the June Cabinet meeting. The subcommittee is chaired by Kurt Barwis and includes: Susan Adams; Frances Padilla; Kristina Stevens; Shelly Sweatt.	
5.	**Next Steps**	Next meeting will be held on Tuesday, June 14, 2016 9:00 AM – 11:00 AM at the LOB – Room 1D	
6.	**Adjournment**		Meeting Adjourned